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UNITED STATES GOVERNMENT

Memorandum

TO : ACTING DIRECTOR, FBI

DATE: 3/5/73

FROM : SAC, ANCHORAGE (46-1326)

SUBJECT: WALTER J. HICKEL
FAG

OO ANCHORAGE

Enclosed herewith for the Bureau are the original and four copies of a self-explanatory LHM.

- ② - Bureau
- 1 - Anchorage
- RVW:rmm
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2-OROM / Inmate
1-OSI / Being
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3/16/73

CONFIRMATION
File 46-11215

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46-65164-1
46-1326-29

17 MAR 1973



MAR 23 1973

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UNITED STATES DEPARTMENT OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION

Anchorage, Alaska

March 5, 1973

In Reply, Please Refer to
File No.

WALTER J. HICKEL

During the course of an investigation being conducted into the activity of the Alaska Air National Guard at Anchorage, Alaska, it has been determined that an Air Guard plane was dispatched from Alaska to Washington, D. C., in early 1970 to pick up the personal property of WALTER J. HICKEL, who had just resigned as Secretary of the Interior, and to fly these goods back to Alaska.

This flight, and numerous others made by the Alaska Air National Guard, was made in violation of Department of Defense regulations which prohibit the hauling of other than military cargos.

The following is a description of HICKEL:

<u>Date of Birth</u>	<u>August 18, 1919</u>
<u>Place of Birth</u>	<u>Claflin, Kansas</u>
<u>Sex</u>	<u>Male</u>
<u>Height</u>	<u>5'9"</u>
<u>Weight</u>	<u>175</u>
<u>Eyes</u>	<u>Brown</u>
<u>Hair</u>	<u>Brown</u>
<u>Social Security</u>	
<u>Account Number</u>	<u>557-28-6208</u>
<u>Employment</u>	<u>Self-employed; Contractor, hotel owner</u>
<u>Relatives</u>	<u>Wife - ERMALEE STRUTZ HICKEL</u>
	<u>Sons [REDACTED]</u>
<u>Residence</u>	<u>1905 Loussac Drive, Anchorage, Alaska</u>

This document contains neither
recommendations nor conclusions of
the FBI. It is the property of
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46-65164-1
46-43414-29
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Federal Bureau of Investigation
Records Branch

19__

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58-0-A Wash Post Sum Herald

62-34434-349

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105-69845-26372

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FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE ANCHORAGE	OFFICE OF ORIGIN ANCHORAGE	DATE 4/11/73	INVESTIGATIVE PERIOD 2/23/73 - 4/5/73
TITLE OF CASE WALTER J. HICKEL		REPORT MADE BY SA ROBERT V. WALKER	TYPED BY rmm
		CHARACTER OF CASE FAG	

REFERENCE:

Anchorage letter to Bureau 3/5/73.

- P -

LEADANCHORAGE AT ANCHORAGE

Will discuss the merits of prosecution in this matter with the United States Attorney.

- A* -
COVER PAGE

photo
CC TO: CFA (P.C.O.)
REQ REC'D 6-25-82
AUG 26 1982
ANS.
BY: Johnson/364

ACCOMPLISHMENTS CLAIMED						<input checked="" type="checkbox"/> NONE	ACQUIT- TALS	CASE HAS BEEN:
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								PENDING OVER ONE YEAR <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO PENDING PROSECUTION OVER SIX MONTHS <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO

APPROVED *[Signature]* SPECIAL AGENT IN CHARGE

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4/23/73

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COVER PAGE

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to:

1 - United States Attorney, Anchorage
1 - Office of Special Investigations, DO 81, Elmendorf AFB

Report of:

SA ROBERT V. WALKER

Office: ANCHORAGE

Date:

April 11, 1973

Field Office File #:

AN 46-1326

Bureau File #: 46-65164

Title:

WALTER J. HICKEL

Character:

FRAUD AGAINST THE GOVERNMENT

Synopsis:

Former Alaska Air National Guard (AANG) pilot advised he had transported the personal goods of former Secretary of the Interior WALTER J. HICKEL from Washington, D. C., to Anchorage, Alaska, aboard an AANG aircraft in December of 1970, under order from his superiors. General [redacted] who was the Adjutant General of the Alaska National Guard at that time, admitted that HICKEL had contacted him requesting transportation assistance, and he ordered that the goods be transported, stating it was the National Guard policy to do so. HICKEL had also requested assistance to move his goods to Washington, D. C., from Anchorage, Alaska, in February of 1969, and, following the obtaining of verbal authority from the National Guard Bureau, in Washington, D. C., to do so, the personal goods were transported to Washington. HICKEL acknowledged that his personal books and records were hauled by National Guard aircraft from Washington to Anchorage in December of 1970. Department of Defense (DOD) regulations prohibit the hauling of non military cargo on National Guard aircraft.

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DETAILS:

This investigation was instituted following a review of a report prepared by the Office of Special

AN 46-1326

Investigations (OSI), dated December 22, 1972, by Special Agent [redacted] titled "Misuse of DOD Aircraft Assigned to Alaska Air National Guard" which was prepared by District Office 81, Elmendorf Air Force Base, Alaska. This report sets forth numerous instances where Alaska National Guard (ANG) aircraft were utilized to transport unauthorized cargo and personnel in violation of Department of Defense (DOD) regulations. The OSI investigation had been instituted at the request of the Inspector General, United States Air Force, on request of the Chief, National Guard Bureau, and the purpose was to resolve the misuse of Alaska Air National Guard aircraft. On January 31, 1973, a copy of the OSI report was made available to United States Attorney G. KENT EDWARDS, Anchorage, Alaska.

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On February 23, 1973, United States Attorney EDWARDS advised that he had completed his review of the OSI report and he felt that investigations should be instituted in an effort to determine if the United States Government as a result of the misuse of Alaska Air National Guard aircraft.

A review of the OSI report reflects that [redacted] a former pilot with the Alaska Air National Guard, (AANG), had advised in a signed statement that he had transported the personal goods of former Secretary of the Interior WALTER J. HICKEL from Washington, D. C., to Anchorage, Alaska aboard a AANG aircraft in approximately December, 1970.

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 3/8/73

Special Agent Office of Special Investigations, (OSI) made available copies of the following pamphlets:

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Air National Guard (ANG) Regulation 76-6 dated September 22, 1969, captioned "Military Airlift Authorized Traffic on Air National Guard Aircraft."

The cover of this pamphlet reflects that AFR (Air Force Regulation) 76-6 is applicable to the Air National Guard, except as modified below:

The modification deals with the wives of State Governors, Lieutenant Governors, and State Adjutant Generals may be authorized accompanying travel on Air National Guard aircraft when it is necessary in the proper accomplishment of the mission or desirable because of diplomatic or public relations.

The official whose signatures appears on this pamphlet is WINSTON P. WILSON, Major General, Chief, National Guard Bureau.

The cover reflects that this pamphlet supercedes Air National Guard regulation 76-6 dated May 23, 1950.

A review of this manual by SA ROBERT V. WALKER, Federal Bureau of Investigation, has revealed that it contains paragraphs on general policy, explanation of terms, when uniforms are required, space available, passengers, eligible traffic (passengers), transportation of DOD (Department of Defense) dependents, eligible traffic (cargo) et cetera.

A review of paragraph 14 entitled "Eligible Traffic (cargo)" sets out the categories of cargo which may be considered eligible for movement via non airlift service, industrial fund (ASIF) aircraft upon approval of competent authority.

Interviewed on 2/23/73 at Elmendorf AFB, Alaska File # AN 46-1328
by SA ROBERT V. WALKER/rmm Date dictated 3/1/73

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This section sets out the type of cargo which may be hauled aboard these aircraft. No where does it mention that the personal goods of military or state employees can be carried aboard these aircraft, nor does it allow for the transportation of equipment or other goods belonging to other state or federal agencies other than those involved with defense.

Paragraph 15 on page 9 of this pamphlet deals with authorization of transportation of goods for use of other than the Department of Defense.

Item C captioned "Exceptions" under paragraph 15 states as follows "To maintain consistency and uniformity in applying transportation policy, exceptions will be considered for approval only when very unusual circumstances indicate that adherence to policy in a particular case would be contrary to the best interests of the service concerned. When a command can justify a request, he should forward it through channels to the Chief of the service concerned, with full justification and all information necessary to permit a decision. A commander will not make an airlift commitment before obtaining approval."

Paragraph 16 captioned "Revenue (reimbursable) Traffic" states as follows:

Item a "Other U. S. Government Agency Traffic." In cases not covered by other authority in this regulation, transportation with reimbursement may be provided when the traffic is of official concern to the executive, the legislative, or judicial branches of the government. Requests for transportation will be directed by the military department concerned, to the Secretary of Defense and will show appropriation,

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fund chargeable, or other clear indication of method of reimbursement.

b. "Non-U. S. Government Traffic."
Transport of non-government passengers and cargo not otherwise provided for in this regulation must be authorized by the Chief of the military service concerned. The policy stated in paragraph one (General Policy) must be considered and the head of the interested executive department or agency, or authorized representative, must certify that the transportation is in the national interest. Such traffic is reimbursable under Air Force regulation 76-28.

A Department of Defense pamphlet, DOD 4515.13-R entitled "Air Transportation Eligibility" dated July 14, 1972, was also made available and contains the following pertinent information in Chapter 13 which is entitled "Movement of Cargo aboard Department of Defense (DOD) aircraft."

Paragraph two in this chapter entitled "Categories of Cargo" sets out the type of cargo that may be hauled on DOD aircraft. A review of this section fails to reveal that the personal property of civilians or military personnel can be moved aboard these aircraft or that cargo for any government or non government agency can be hauled without first obtaining authorization by the Secretary of Defense or his designee.

Chapter 14 of this pamphlet deals with "Special Actions and Procedures" and it prescribes actions to be taken in connection with requests for exceptions to transportation policies.

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Paragraph 2 under Chapter 14 sets out how requests for transportation on DOD aircraft should be set out.

Paragraph five reflects the following:
"To Maintain Consistency and Uniformity in Applying Transportation Policy, exceptions will be considered for approval only when very unusual circumstances indicate that adherence to policy in a particular case would be contrary to the best interests of the Department of Defense component concerned. However, when a commander can justify a request, he should forward it through channels with full justification and all information necessary to permit a decision. A commander will not make an airlift commitment before obtaining approval."

A pamphlet entitled "Federal Property Use and Loan of Property" Issued to the National Guard" and is assigned Air National Guard regulation number 67-1, dated June 30, 1967, was reviewed and it contains the following pertinent information:

1. Purpose. "This regulation prescribes policies and procedures governing the use and loan of military property issued to the National Guard by the United States."

2. Statutory Authority. "This regulation is based on provisions of Section 701, 702, 710 of Title 32, United States Code."

3. Policies. Section B "All military property issued by the United States to the National Guard remains the property of the United States and may be withdrawn to meet demands of a higher priority claimant upon instructions of the Department of the Army and Department of the Air Force."

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4. Responsibilities. Item A "The State Adjutant General is responsible for establishing adequate measures and furnishing guidance to insure that military property is used only for purposes authorized by this regulation."

Item C "Commanders of units and/or organizations are responsible for proper utilization and maintenance of military property as directed by the State Adjutant General."

5. Restrictions on Use. "The use of military property for the following purposes is prohibited except as specifically authorized by the Secretary of the Army and the Secretary of the Air Force.

Item C "Transportation of personnel or material for other than military purposes except as authorized by paragraphs 6 and 14."

- 6. Disaster, Relief or Emergency
- 14. Cooperation with Youth Groups.

This pamphlet is signed by WINSTON P. WILSON, Major General, Chief, National Guard Bureau.

FEDERAL BUREAU OF INVESTIGATION

1.

Date of transcription 3/13/73

WALTER J. HICKEL was advised of his rights and the nature of the investigation at his office, 955 West 3rd Avenue. A form on which his rights appear was read to and by HICKEL; however, he refused to sign the waiver portion of this form. Mr. HICKEL declined to be interviewed under oath.

Mr. HICKEL stated that when he was sworn in as Governor of the State of Alaska, in December of 1966, he had heard rumors that the National Guard was not being run in an efficient manner and that morale was very low. To correct this situation, he hired [redacted] as his Adjutant General, and instructed him to "clean it up." He felt that [redacted] was an able and capable individual, who, because of his military background, would have had the foresight and ability to improve the National Guard picture. [redacted] was given a free hand to administrate the National Guard as he saw fit and Mr. HICKEL never gave him any directives or orders on how to administrate that organization. HICKEL never flew on any of the Air National Guard airplanes, nor did he ever direct that any flights should be made to a certain place or that any individual or cargo should be hauled in those planes while he served as Governor. He is aware that it apparently is the policy of the National Guard to move the personal goods of an Air Guardsman who is hired outside of Alaska. HICKEL does not know if this practice is in violation of Air National Guard regulations. Recently, Mr. HICKEL heard that some automobiles were flown from California to Alaska in Air National Guard planes and he feels that this would be a gross violation of regulations. He has no personal knowledge that any flagrant incidents such as this occurred while he was serving as Governor and feels that if it did occur, it certainly is not right.

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Because of its remoteness, HICKEL feels that in Alaska a different set of regulations should probably prevail concerning the use of Air National Guard equipment. He knows that in the years prior to Statehood, the Air Force

Interviewed on 3/12/73 at Anchorage, Alaska File # AK 46-1326

by SA ROBERT V. WALKER - er Date dictated 3/13/73

AN 6-1326

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HICKEL added that he was unaware that it was a violation of National Guard regulations to have his personal property transported on an Air National Guard plane. He felt that when Mr. [REDACTED] contacted him concerning the hauling of these items, that [REDACTED], who was in the National Guard, would be familiar with the regulations and would not have contacted HICKEL and solicited the hauling of the personal goods if it was against regulations to do so. HICKEL denied any wilful wrong-doing and his only purpose in shipping his personal goods in the Air Guard plane is that the offer was made to him and he accepted.

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DESCRIPTION

Name	WALTER J. HICKEL
Race	White
Sex	Male
DOB	August 10, 1919
POB	Clafin, Kansas
Height	5'9"
Weight	175 pounds
Eyes	Brown
Hair	Gray
SSAN	557-28-6208
Employment	Self employed; Contractor, Hotel owner
Spouse	ERNALEE HICKEL
Residence	1905 Loussac Drive, Anchorage, Alaska

AN 46-1326

2.

and other military aircraft were constantly being used for mercy missions out in the "bush" and that all Alaskans depended on the military aircraft for emergency service. There was no other agency available to perform emergency service, and it was willingly done by the use of United States Air Force equipment.

In reply to a question concerning the moving of some of his personal property from Washington, D. C., to Anchorage, Alaska, following his retirement as Secretary of the Interior in November of 1970, HICKEL stated that he recalls this incident and that he feels it would have occurred sometime between late November and December 16, 1970. HICKEL had just resigned his position and, because he was to be a witness in an important law suit on December 16, HICKEL did not leave Washington until after that date. During this period, he received a phone call from [redacted] who was an officer in the Alaska Air National Guard. In this call, [redacted] stated that he was in Washington, D. C., with an Air National Guard plane and that he had space available if Mr. HICKEL wanted to ship some of his personal goods back to Alaska. HICKEL replied that there were some records and books and other cartons of personal property which were stored in his garage and that [redacted] could take those back to Alaska if he so desired. A truck came to the HICKEL residence, picked up these items, and it was eventually returned to Mr. HICKEL's office in Anchorage. This aircraft was delayed in getting back to Alaska, as it was routed through Arizona or California, enroute to Alaska, and it lost an engine. There was a several week delay before the engine could be replaced or repaired and it was several weeks before these things were delivered to Mr. HICKEL. Mr. HICKEL recalls that much of his other personal items, which included clothing, but no furniture, was shipped by commercial airline, and it arrived in Alaska well before that which was on the Alaska Air National Guard plane. Concerning the cost of shipping his personal property to and from Washington, D. C., during his tenure as Secretary of the Interior, HICKEL stated that he personally bore the cost of the shipment of his personal goods and was never reimbursed by the Government for these expenses.

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FEDERAL BUREAU OF INVESTIGATION

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Date of transcription 4/4/73

[redacted] was advised of his rights by SA ROBERT V. WALKER in the Office of the Federal Bureau of Investigation. A form on which his rights appear was read to and by [redacted] and, after acknowledging that he understood his rights and the nature of the investigation, he signed the Waiver portion of this form. [redacted] was placed under oath by SA WALKER.

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[redacted] stated that he was Adjutant General of the Alaska National Guard from approximately January 2, 1967, until December 29, 1970. Prior to becoming Adjutant General he was a Major General in the United States Air Force and retired from that service in 1965.

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[redacted] was appointed Adjutant General by former Governor WALTER J. KILPATRICK and he replaced General [redacted] as Adjutant General. [redacted] was the Assistant Adjutant General under [redacted] and he primarily concerned himself with the Alaska Air National Guard.

When [redacted] took over the National Guard for the most part he continued the policies that General [redacted] had instituted and made some changes which he felt would improve the operation of the Guard.

[redacted]'s policy for operating the National Guard during that period was that they had a dual responsibility. Their Federal responsibility was to train for combat readiness, and their responsibility to the State of Alaska was to assist in emergencies and to do such other things as requested by the Governor which were in the public interest.

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The regulations governing the operation of the National Guard during the period 1967 through 1970 were somewhat vague and many of the questions being raised today concerning the operation of the National Guard were not covered by regulations. What regulations did exist were used as guidelines to cover the various

Interviewed on 3/30/73 at Anchorage, Alaska File # _____
by SA [redacted]
SA ROBERT V. WALKER/rmm Date dictated 4/2/73

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situations that arose and were not intended as iron clad rules.

From time to time when occasions arose where requests were made to haul questionable cargo aboard Air Guard aircraft it was [redacted] s policy to always telephonically contact the National Guard Bureau at Washington and get authorization to haul these questionable cargos. Generally this authorization was given by General [redacted] or members of his staff. Because this authorization was given telephonically there would be no written record of it.

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It was the policy of the Governor and the National Guard at that time to haul any and all cargo which was to be utilized in the operation of the State Government. These cargos would include generators, automobiles or items for the Department of Fish and Game. Also, it was the policy to haul the personal property of any member of the National Guard as this was considered a fringe benefit for being a member and it was good for morale. Because there was no money in the budget to pay for the hauling of personal goods of Guardsmen who were recruited outside Alaska, the only way to encourage the needed technicians to join the Alaska National Guard was to provide transportation for their personal property on a space available basis.

It was also the policy to give airlift support to Federal agencies and Federal officials and numerous items were hauled for the Federal Government on a space available basis. Under no circumstances would a training flight be purposely scheduled to accomodate the hauling of some State or Federal cargo and the primary purpose of all flights was training.

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From time to time General [] would check with the various commercial airlines serving Alaska and discuss the hauling of State cargo in National Guard aircraft and they never disapproved of this as they seemed to understand that if the National Guard did not haul the merchandise it would not get hauled as there was no money to do it.

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[] stated that he realizes the hauling of these cargos probably were not authorized in the Department of Defense regulations but he feels that these regulations were merely guidelines and that all National Guard units did not comply with the letter of the law. Inasmuch as hauling of these cargos only benefited the State or the Federal Government and its employees, and in no way benefited a commercial or private enterprise he does not feel that any harm was done by this policy.

Concerning the transportation of his personal goods from California to Alaska at the time he was hired by the Alaska National Guard, [] stated that these items were transported on a space available basis and over a lengthy period of time. In June of 1967, his Thunderbird automobile was transported from Seattle to Anchorage in a National Guard aircraft on a space available basis. As it was the policy of the National Guard to transport the personal property of members of the Guard [] feels that he was authorized to have his personal property transported to Alaska. He does not consider that this in any way could be construed as a fraud against the Government, because he realized no profit and the transporting of his goods did not cost the State or Federal Government money as the airplanes were flying and the goods were hauled on a space available basis.

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Concerning [redacted] stated that he was hired by the State of Alaska Department of Natural Resources during the period that [redacted] was Adjutant General. [redacted] resided in California and the Commissioner of Natural Resources, [redacted] had made the request to [redacted] to have [redacted]'s personal goods ferried from California to Alaska. Apparently there were no funds available to transfer [redacted]'s personal goods to Alaska and it undoubtedly would have been difficult to hire [redacted] if they could not provide transportation for his personal property. [redacted] had told [redacted] that [redacted]'s goods could not be legally hauled aboard the National Guard aircraft unless there was some military connection between [redacted] and the State. He had been told by [redacted] that there was such a connection as [redacted] was a retired Naval Officer. [redacted] applied a lot of pressure at the State Government level to have the goods transported immediately. [redacted]'s goods eventually were transported to Alaska on a space available basis. [redacted] does not recall if he had telephonically contacted the National Guard Bureau to obtain permission to move [redacted]'s goods, but he feels that he probably did.

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Concerning the shipment of the personal goods of Major [redacted] stated he has no personal knowledge of this shipment, but feels it would have been legitimate inasmuch as [redacted] was a member of the National Guard.

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Concerning the shipment of the personal goods of former Governor WALTER J. HICKEL, [redacted] stated that in January of 1969, when HICKEL was appointed to be Secretary of the Interior, HICKEL had contacted [redacted] and asked if [redacted] could transport some of HICKEL's personal property to Washington, D. C.

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[] had telephonically contacted General [] National Guard Bureau, Washington, D. C. to ascertain if these goods could legally be hauled. [] approved the movement of these goods on a space available basis because of HICKEL's position in the Federal Government. These goods were hauled on a space available basis on the next National Guard aircraft that went to Washington, D. C.

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In December of 1969, following Mr. HICKEL's retirement as Secretary of the Interior, [] received a telephone call from HICKEL in which Mr. HICKEL asked to have some of his personal property hauled back to Alaska from Washington, D. C. [] does not recall if he had obtained permission from General [] to haul this cargo. An air National Guard plane was scheduled to fly to San Diego, California and then on to Washington with General [] and [] had instructed [] to telephonically contact Mr. HICKEL when he got to Washington concerning the moving of his personal property back to Alaska. The goods were taken aboard this aircraft sometime in December of 1969, and the plane returned to California and then eventually to Alaska. [] had approved the hauling of these items for Mr. HICKEL as he was a Federal official and was entitled to have his goods transported in an Air Guard plane in compliance with the policy existing at that time.

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Concerning a flight of General [] of the California National Guard to Alaska in approximately 1969, [] stated that he did not order any National Guardsmen to support [] while he was here on an alleged hunting trip in the Galena area. If anybody

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from the National Guard did accompany [] he assumes that individual was on annual leave.

Concerning the scheduling of training flights by the Alaska Air National Guard, [] stated that for the most parts these flights were scheduled by the Kulis Base Commander, Colonel [] and his aide General [] had noted that there were too many flights being made to the Portland, Oregon, area and there were allegations that these flights were being scheduled for the purpose of picking up meat, produce and fruit for the use of National Guardsmen. [] had been told to cease and desist this practice, however, the flights continued and General [] had to issue orders that no flights were to be made outside of the State of Alaska without his personal authority. Because of his insubordinate attitude, General [] had instituted proceedings to have [] fired or demoted for ignoring his orders.

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Concerning the operation of the Igiugig Fish Camp, [] stated that on no occasion were National Guard technicians assigned to the camp as an official duty station. The only time they were authorized to be down there was when they were on a leave status.

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If members of the National Guard got credit for training sessions while being at the Fish Camp [] stated that he feels this would have been wrong as this could not be construed as legitimate training.

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In conclusion, [] stated that during the time that he was Adjutant General of the Alaska National Guard the organization had never failed an inspection or an audit and none of the inspection team had ever said anything about the use of National Guard aircraft or ever complained that the use to which the planes were put was illegal.

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General [] declined to put his comments in the form of a signed statement.

DESCRIPTION:

Name
Race
Sex
Date of Birth
Place of Birth
Eyes
Hair
Height
Weight
Social Security
Account Number
Residence

Occupation
Former Occupation

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b7C

FEDERAL BUREAU OF INVESTIGATION

1

4/3/73

Date of transcription

Mr. [] voluntarily appeared at the Anchorage, Alaska, Office of the Federal Bureau of Investigation where he was advised of his rights by SA ROBERT V. WALKER. On form on which his rights appear was read to and by [] and, after acknowledging that he understood his rights, he signed the waiver portion of this form.

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[] advised that he had retired from 30 years service with the United States Air Force in May of 1967, and immediately accepted a position as Assistant Adjutant General for Air, Alaska Air National Guard. He served under General [] in this capacity until January of 1971 when both he and [] retired.

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During this period the Alaska Air National Guard continued the policies of their predecessors in command, Generals [] and [] and made appropriate changes in those policies where they felt such changes were needed.

At that time the Alaska Air National Guard had a dual mission. Their mission for the Federal Government was to train personnel and be prepared to assist the Air Force in the event of hostilities. The mission for the State of Alaska was to serve the public interest where it did not interfere with the primary mission (training) and, on a space available basis, Air National Guard planes would be used to transport cargo that was judged to be in the best interest of the public. This policy would include the transporting of the personal goods of Alaska National Guard employees, equipment and cargo for the State of Alaska, and equipment and cargos for use of State employees.

Whenever a request was made to give air support to transport a questionable cargo, a phone call was made to the Air National Guard Bureau, Washington, D.C.,

Interviewed on 3/29/73 at Anchorage, Alaska File # AN 46-1326

SA []
by SA ROBERT V. WALKER/rmm Date dictated 3/31/73

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AN 46-1326

to obtain approval for this questionable flight. Invariably these requests would be approved by the National Guard Bureau headed by General [redacted]. This approval would have been obtained in a telephone conversation and there would be no written records of it.

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Mr. [redacted] stated that because of its remoteness, Alaska, is dependent upon air transportation to move cargo and personnel throughout the State. If the moving of this cargo or personnel was for the benefit of the people of the State of Alaska he could see no reason why this cargo should not be transported. Under no circumstances would he approve of a cargo for a private enterprise or other commercial venture be hauled in an Air National Guard aircraft. He knows of no instance where such was the case and he certainly would not have approved of it had he learned of any such cargo.

Concerning the transporting of some of the personal property of former Governor WALTER J. HICKEL, [redacted] stated that when HICKEL had been relieved of his position as secretary of the Interior in December of 1969, he had been told by General [redacted] to contact HICKEL when he arrived in Washington, D. C., on a flight that had been previously scheduled to go there. [redacted] had contacted General [redacted] at National Guard Headquarters, and received approval to haul the personal goods of HICKEL from Washington back to Alaska. The aircraft was scheduled to take General [redacted] back to Washington and when it arrived he did call HICKEL and HICKEL made some of his personal records and other property available and it was hauled back to Alaska on a National Guard aircraft.

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AN 46-1326

Concerning the transporting of the personal goods of a State of Alaska employee in the Department of Natural Resources, [] stated he has no knowledge of this flight, but feels it would have been proper to haul it as [] was an employee of the State of Alaska.

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[] cannot recall if the Air Guard hauled any of the personal property of former Governor HICKEL to Washington when he went there to accept the job of Secretary of Interior in January of 1969.

DESCRIPTION:

Name
Race
Sex
Date of Birth
Place of Birth
Height
Weight
Occupation

Residence
Home telephone
Former Occupation

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FEDERAL BUREAU OF INVESTIGATION

4/6/73

Date of transcription

[redacted] voluntarily appeared at the Office of the Federal Bureau of Investigation where he was advised of his rights by SA ROBERT V. WALKER. A form on which these rights appear was read to and by [redacted] and, after acknowledging that he understood his rights and the nature of the investigation, he signed the waiver portion of this form.

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A copy of a witness statement dated November 24, 1972, at Elmendorf Air Force Base, Alaska, which had been given by [redacted] to Special Agent [redacted] and which was signed by [redacted] was made available to [redacted] and he read it in its entirety.

[redacted] was placed under oath by Special Agent WALKER and he stated that the information contained in the statement was true and correct to the best of his knowledge.

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[redacted] stated that he knows of no other irregularities in the operation of the Alaska National Guard other than those set out in the statement.

[redacted] stated that he first joined the Alaska Air National Guard in March of 1966, and was appointed a full time technician, GS-12, in April of that year. He was terminated from the Guard in July of 1972, and was the safety officer at the time of his termination. His primary duty was that of pilot and he spent much of his time training the other pilots.

Concerning the operation of the Alaska Air National Guard [redacted] stated that it was more or less formed from its infancy by General [redacted]. In its infancy there were no trained people available to service the aircraft nor any of the skilled technicians needed to operate such complicated machinery as an airplane. There was little money available to obtain this skilled help and General [redacted] used whatever means available to him to entice people from Guard units outside

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Interviewed on 4/5/73 at Anchorage, Alaska File # AN 46-1324

by SA ROGER H. LEE
SA ROBERT V. WALKER/rmm

Date dictated 4/5/73

AN 46-1324

Alaska to join his unit. During this period of growing up, [] paid little or no attention to the National Guard Bureau and its regulations. []'s attitude was "it's my National Guard, my airplanes and I'll use them the way I see fit." In later years as the Guard became better organized and the Federal Government exerted more and more control over it, General []'s policies conflicted on numerous occasions with policy set out by the National Guard Bureau. When General [] took over the Guard in 1967, he more or less continued the policies instituted by [] however, because [] had a greater rapport with the U. S. Air Force Generals back in Washington, D. C., [] had a much better working relation with the National Guard Bureau. When [] once again took over the National Guard in 1971 he continued his policies of running the Guard his way and ignoring the regulations put out by the National Guard Bureau. On numerous occasions [] told [] that scheduled flights, on which opportune cargos were to be hauled, were in violation of Department of Defense regulations, but [] would ignore this. An example of this would be the support missions flown for the Michigan State University project on the Taku Glacier. Support of this group had been suspended during the [] era, but were started again when [] returned as Adjutant General.

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Concerning the moving of the personal goods of former Governor WALTER J. HICKEL, [] stated that he was the aircraft commander of the plane which had flown to Washington, D. C., in approximately December, 1969, that had picked up HICKEL's personal goods. General [] was also onboard the aircraft and, upon their arrival in Washington, [] instructed [] to go to the National Guard and get a truck to be used to pick up Mr. HICKEL's personal goods. [] got the truck, drove to an area in Maryland where HICKEL lived and picked up numerous cartons and boxes. General [] was at the residence when Mr. [] got there.

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AN 46-1324

[] does not know what was in these boxes although some of them were labeled for the bedroom, dining room, living room, etc. The mission reports and cargo manifests for this flight should show what cargo was hauled on this trip and he, [] aircraft commander, would have been responsible for seeing that these forms were filled out.

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Concerning the transporting of a boat for Lieutenant Colonel [] from Boeing Field Seattle, to Anchorage, [] stated he had been in Portland, Oregon, at the time and the aircraft which transported this boat came to Portland to pick him up. The boat was already on board the aircraft and they then flew from Portland, Oregon, to Anchorage where the boat was off loaded.

Concerning the mission reports and cargo manifests for all flights by the National Guard aircraft, [] stated that there would have been no reason for anyone to purposely delete from these forms the fact that boats, personal goods or other property were hauled as cargo because this was the accepted practice of the Air Guard which had been approved by the Adjutant General. No one felt that it was wrong to haul such cargo as it was the Adjutant General's policy to do so and it had been done since the Guard was first formed. If there were such omissions on the cargo manifests [] feels it would be just an error of omission or "slippiness" on the part of the aircraft commander who is responsible for completing these forms.

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Concerning the transportation of a automobile belonging to Colonel [] Army National Guard, Juneau, Alaska, [] stated that he was the plane commander on this flight which had gone to Juneau on Air Guard business. [] recalls that he had been

AN 46-1324

in []'s office at the National Guard Armory in Juneau when [] asked [] if he would transport []'s daughter's car to Anchorage in the air Guard plane. [] had stated that the front end of the car was bad and dangerous to drive and he did not want his daughter to drive it over the highway to Anchorage. [] had told [] that he could not accomodate him as it was against regulations to haul private vehicles. He indicated that only the Adjutant General could make an exception to this regulation. Sometime later, when [] arrived at the aircraft he noted that the automobile was already on board the plane and he believes he had questioned those present as to why. He was told that it was there because General [] had said to put it there. The car had been packed full of boxes and it was off loaded at Kulis Air Base where it remained for quite sometime before being picked up. Concerning the cargo manifest for this flight, [] stated that no one ever directed him not to include this vehicle on the manifest and that if it does not appear as cargo it would be an error of omission and not design.

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Concerning the hauling of the personal property of [] for the State Department of Natural Resources, [] stated a flight was purposely scheduled to go to California to pick up his household goods. [] was on the flight and he recalls that all of the household goods of [] were at the airport. The plane could not take it all in one load and all that could be hauled was taken back to Alaska. Later on a second flight which had to go to California anyway, stopped and picked up the remainder of []'s household goods.

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Concerning the transportation of the personal automobile of [redacted] who was in the active United States Army, [redacted] stated that he has no direct knowledge of this but he has heard that [redacted] owned two cars and was only allowed to have one of them shipped at Government expense. Under the retirement rules for an active Army Colonel he would have been allowed to have one car shipped to his retirement home at Government expenses and this may be the reason why the National Guard was petitioned to haul the second car to Seattle. He has no direct knowledge of this but has heard that this may have been the case. Because he was in the regular army, [redacted] was entitled to have all his goods shipped through the transportation office at Elmendorf Air Force Base, Alaska, and it would not have been necessary for him to go through the National Guard.

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Name
Race
Sex
Date of Birth
Place of Birth
Height
Weight
Social Security
Account Number
Residence
Occupation
Marital Status

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A copy of the signed statement which [redacted] had given to OSI on November 24, 1972 is as follows:

FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE ANCHORAGE	OFFICE OF ORIGIN ANCHORAGE	DATE 5/18/73	INVESTIGATIVE PERIOD 4/2/73 - 5/10/73
TITLE OF CASE WALTER J. HICKEL		REPORT MADE BY SA ROBERT V. WALKER	TYPED BY gal
		CHARACTER OF CASE FAG	

REFERENCE

Anchorage report of SA ROBERT V. WALKER, 4/11/73.

- C -

CC TO: *photo* **CEA (REC'D)**

REQ. REC'D **6-25-82**

AUG 26 1982

ANS.

BY: **Johnson/ACH**

- A* -

COVER PAGE

ACCOMPLISHMENTS CLAIMED						<input checked="" type="checkbox"/> NONE	ACQUIT-TALS	CASE HAS BEEN:
CONVIC.	AUTO.	FUG.	FINES	SAVINGS	RECOVERIES			
								PENDING OVER ONE YEAR <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO PENDING PROSECUTION OVER SIX MONTHS <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO

APPROVED <i>m/p</i> SPECIAL AGENT IN CHARGE	DO NOT WRITE IN SPACES BELOW
COPIES MADE: (4) - Bureau (46-65164) 1 - USA, Anchorage 1 - AFOSI, District 81, Elmendorf AFB 1 - Anchorage (46-1326)	40-65164-3 MAY 23 1973 REC-4 EX-117

Dissemination Record of Attached Report				Notations <i>5/36/73</i>
Agency	1-OST 2-OROM			
Request Recd.				
Date Fwd.	F36			
How Fwd.	3 MAY 31 1973			
By				

COVER PAGE

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to: 1 - USA, Anchorage, Alaska
1 - AFOSI, District 81, Elmendorf AFB, Alaska

Report of: SA ROBERT V. WALKER Office: ANCHORAGE
Date: May 18, 1973

Field Office File #: AN 46-1326 Bureau File #: 46-65164

Title: WALTER J. HICKEL

Character: FRAUD AGAINST THE GOVERNMENT

Synopsis: FGJ, sitting in Anchorage, Alaska, heard testimony concerning the Alaska Air National Guard on 5/9-10/73; returned a report stating they found nothing to support a finding of probable cause to believe that the National Guard activities were in violation of Federal criminal statutes and no indictments in connection with this matter were being returned.

- C -

DETAILS

FEDERAL BUREAU OF INVESTIGATION

4/10/73

Date of transcription

SA ROBERT V. WALKER reviewed the records of the Alaska Air National Guard which had been seized by Special Agent [redacted] Office of Special Investigations (OSI), from the Alaska Air National Guard, Kulis Air Force Base, International Airport, Anchorage, Alaska, in December of 1972.

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Included amongst these records were the following documents pertinent to this investigation:

A "Mission Itinerary and Trip Report" reflects that aircraft number 44-9111, under flight order number 58, commanded by Lieutenant Colonel [redacted] departed Kulis on February 4, 1969, at 1920 hours. Under "Cargo Information" the form reflects that 3,000 pounds of household goods were on board for Secretary of Interior HICKEL. The agency was reflected as Department of Interior. The aircraft traveled to Mc Chord Air Force Base and from there on to Andrews Air Force Base, Maryland, where it arrived at 0245 hours on February 6, 1969. Three thousand pounds of cargo were off loaded for the Department of Interior. The aircraft traveled to several other Air Force Bases within the continental United States and arrived back at Kulis at 1945 hours on February 12, 1969.

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A "Control of Flying" form dated February 4, 1969, for flight order number 58 reflects that aircraft number 9111, a C-54 type aircraft was crewed by [redacted] [redacted] Total flying time was 47 hours, total distance in nautical miles flown was 8,400, total number of passengers was 15 and total cargo pounds was 5,300. Ton miles flown out was 5,400 for the Department of Interior and other.

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Interviewed on 4/2/73 at Elmendorf AFB, Alaska File # AN 46-1326

by SA ROBERT V. WALKER/rmm Date dictated 4/6/73

AN 46-1326

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On May 4, 1973 Assistant U.S. Attorney [redacted] [redacted] Anchorage, Alaska, advised that he had completed a review of investigative reports prepared on individuals linked to an investigation into the operation of the Alaska Air National Guard. He added that the hauling of illegal cargo and personnel aboard Air National Guard aircraft conceivably could be considered as a violation of Title 18, U.S. Code, Section 641, Fraud Against the Government, in that the goods and property of the U.S. Government were converted to the use of another. Mr.

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[redacted] felt that an essential element of the case, that is, "intent" is lacking and that it would be difficult to obtain successful prosecutions in many of the cases that had been investigated.

Mr. [redacted] added that he intended to present the entire investigation into the Alaska National Guard to the next sitting of the [redacted]

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AN 46-1326

RVW-gal

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The report is dated May 10, 1973.

Assistant U.S. Attorney [redacted] further advised that in view of the above findings by the FGJ all investigation being conducted into members of the Alaska National Guard are to be discontinued, inasmuch as there are no grounds for prosecuting the individuals involved.